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RUEHCI/AMCONSUL KOLKATA PRIORITY 3905  
RUEHGV/USMISSION GENEVA PRIORITY 1925  
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RUEKJCS/SECDEF WASHDC PRIORITY  
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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 002044

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SUBJECT: NEPAL: FORMER PRES. CARTER PROPOSES COMPROMISE TO  
END POLITICAL DEADLOCK

REF: KATHMANDU 2027

Classified By: Charge d'Affaires a. i. Randy W. Berry. Reasons 1.4 (b/  
d)

Summary

1. (C) On November 24, at the end of a four-day visit to Kathmandu, former President Jimmy Carter proposed a three-point compromise to end Nepal's political deadlock and lead the way to a Constituent Assembly election. His first point was that the Interim Parliament should declare Nepal a republic, to be confirmed by the Assembly members as their first order of business. His second point was to change the current electoral formula of 50 percent proportional and 50 percent first-past-the-post seats to 70/30 proportional/first-past-the-post. Former President Carter's third point was that the Government of Nepal and the Maoists should implement previous peace commitments, and he specifically listed several. His visit and the proposed compromise have gotten a mixed review.

Carter Returns To Nepal

2. (C) Despite the Government of Nepal's decision in October to postpone the planned November 22 Constituent Assembly election, former President Jimmy Carter stuck to his plan to visit Nepal at that time. His four-day visit from November 21-24 was his second trip to Kathmandu in 2007. He was previously in the country in June for four days. According to the Carter Center's Nepal Field Director, Darren Nance, the former President was accompanied, among others, by his son Jeff Carter and retired U.S. Ambassador Peter Burleigh. As in June, Mr. Carter met with Prime Minister Koirala, the leaders of the other major political parties, Members of the Interim Parliament, the Election Commission, Madhesi, Janajati (indigenous nationalities), and civil society leaders, Maoist leaders, the UN Mission in Nepal, and various Ambassadors. The former President had two substantive meetings with Ambassador Powell: the first the day after his arrival, immediately before Carter's first meeting with the Prime Minister; and the second before his final press conference on the day he departed Nepal.

## Compromise Proposed: First Point -- Declare A Republic

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13. (SBU) The highlight of the former President's visit was a three-point political compromise which he proposed on his last day in the country. (Note: Post has already forwarded the compromise to the desk. End Note.) His stated goal, as noted in the proposal itself, was to address the "serious obstacles (that) remain to a successful resolution of the present debate that can lead to a Constituent Assembly and a national constitution." The first point provided that: "The interim parliament (could) declare that a republic is created in Nepal, to be confirmed by a simple majority of the newly elected members of the Constituent Assembly as their first order of business when the Assembly convenes." He characterized this first point as providing "a strong incentive" to all the political parties to conduct an election.

## Second Point -- Make Electoral System More Proportional

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14. (SBU) The second point in Carter's compromise was to amend the electoral formula in the Interim Constitution and the electoral law of 50 percent proportional seats and 50 first-past-the-post seats to 70/30 proportional/first-past-the-post. In addition, he suggested that eight seats could be allocated to each of the three major political parties and one each to the minor parties. (Note: By the major parties, he was presumably referring to the Nepali Congress, the Communist Party of Nepal - United Marxist

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Leninist or UML and the Maoists. Whether the minor parties include the minor parties in the Parliament which are not in the governing Six-Party Alliance is not clear. End Note.) Furthermore, the former President suggested that the Government of Nepal (GON) should organize a time-limited roundtable discussion with marginalized groups on the electoral formula before it was finalized.

## Third Point -- Implement Prior Agreements

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15. (SBU) Carter's final point emphasized that the parties had to implement prior peace agreement commitments. Such implementation, he went on to say, was "integrally related" to build "trust and confidence" for the future. He listed eight specific commitments or groups of commitments:

- cantonment payments, living conditions, and discharge of minors and other unauthorized persons;
- land return, aided by a land commission;
- cessation of Maoist and Young Communist League violence and intimidation;
- status of disappeared people;
- compensation of war victims;
- implementation of agreements with Madhesi and Janajatis;
- security sector reform and integration of the People's Liberation Army; and
- increased support and supervision of the police in the Terai and other troubled areas.

While his actual proposal did not spell out who was responsible for implementation, his public statements indicated that both the GON and the Maoists were on the hook.

## Mixed Reaction To Carter Visit and Compromise

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16. (C) Media coverage of the former President's recent visit to Nepal was extensive and has continued after his departure. That coverage and the statements attributed to politicians and others who met him as well as observations by commentators have been mixed. Some have praised his efforts,

others have dismissed him as irrelevant or meddling. Darren Nance of the Carter Center told Emboff November 30 that he had not been surprised by the reaction. The bar for this visit had been set much higher. In June, Carter was widely praised just for showing up and trying to help. This time he had chosen to come to Kathmandu and attempt to broker a deal even though the election had been postponed and there was a well-known political deadlock. Carter had realized he might not succeed, but his hope had been that he could at least move the process forward. Nance argued that he had.

Comment

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17. (C) Former President Carter succeeded in highlighting the importance of implementation of prior peace agreements, including those with the Madhesis and Janajatis who are the natural allies of the democratic parties. We also welcome his sharp and public criticism of Maoist abuses and his strong support for the imposition of law and order. On the other hand, Prime Minister Koirala was not the only person who objected to Carter's proposal to adopt a 70/30 electoral system. While an eventual compromise between the Nepali Congress and its coalition allies may eventually involve an electoral system more heavily weighted toward the proportional side, the acting IFES representative in Nepal as well as a senior UML leader, Jhalanath Khanal, consider the formula to be unworkable -- unless the size of the Constituent Assembly is increased substantially to accommodate the additional proportional representatives.

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